

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re	: Chapter 11
	:
DELPHI CORPORATION, <u>et al.</u> ,	: Case No. 05 – 44481 (RDD)
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Debtors.	: (Jointly Administered)
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FIFTH AMENDED SCHEDULING ORDER ON DEBTORS' MOTION FOR  
ORDER UNDER 11 U.S.C. § 1113(c) AUTHORIZING REJECTION OF  
COLLECTIVE BARGAINING AGREEMENTS AND UNDER 11 U.S.C. § 1114(g)  
AUTHORIZING MODIFICATION OF RETIREE WELFARE BENEFITS

("FIFTH AMENDED SECTION 1113 AND 1114 SCHEDULING ORDER")

Upon the Motion, dated October 8, 2005 (the "Motion"), of Delphi Corporation and certain of its domestic subsidiaries and affiliates, debtors and debtors-in-possession in the above-captioned cases (collectively, the "Debtors"), for an order under 11 U.S.C. §§ 1113 and 1114 of the Bankruptcy Code<sup>1</sup> and Fed. R. Bankr. P. 2002(m) and 9006 establishing notice procedures, briefing schedule, and hearing date regarding the Debtors' Motion To (a) Reject Collective Bargaining Agreements Under Section 1113(c) And (b) Eliminate Retiree Medical And Life Insurance Benefits For Union-Represented Retirees Under Section 1114(g) (the "1113/1114 Motion"); and this Court having entered an order granting the relief on the Motion on October 13, 2005 (Docket No. 232), an amended order on February 9, 2006 (Docket No. 2225), a second amended order on February 17, 2006 (Docket No. 2425), a third amended order on March 28,

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<sup>1</sup> As used herein, the term "Bankruptcy Code" means chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1330, as amended.

2006 (Docket No. 2996), and a fourth amended order on June 13, 2006 (Docket No. 4170) (the "Fourth Amended Order"); and the Court having received and reviewed the Objection Of International Union, United Automobile, Aerospace And Agricultural Implement Workers Of America (UAW) To Debtors' Motion For Order Under 11 U.S.C. § 1113(c) Authorizing Rejection Of Collective Bargaining Agreements And Under 11 U.S.C. § 1114(g) Authorizing Modification Of Retiree Health Benefits, and supporting memorandum of law (Docket Nos. 3342 and 3346), Objection And Memorandum Of Law In Support Of Objection Of IUE-CWA To Motion For Order Under §§ 1113 And 1114 Authorizing The Debtors To Reject The IUE-CWA's Collective Bargaining Agreement And Terminate Post Retirement Benefits (Docket No. 3332), Objections Of USW To Debtors' Motion For Order Under 11 U.S.C. § 1113(c) Authorizing Rejection Of Collective Bargaining Agreements And Under 11 U.S.C. § 1114(g) Authorizing Modification Of Retiree Welfare Benefits (Docket No. 3322), IBEW Local 663 And IAMAW District 10's Objection To Debtors' Motion To Reject Their Collective Bargaining Agreements Pursuant To 11 U.S.C. § 1113(c) And To Modify Their Retiree Benefits Pursuant To 11 U.S.C. Section 1114(g) (Docket No. 3330), Opposition Of International Union Of Operating Engineers Locals 18, 832, And 101 To Debtors' Motion For Authority To Reject Collective Bargaining Agreements And To Modify Retiree Benefits And Memorandum Of Law In Support Of Opposition (Docket No. 3314), Supplemental Objection Of Appaloosa Management L.P. And Wexford Capital LLC To The Debtors' Motion For Order Under 11 U.S.C. § 1113(c) Authorizing Rejection Of Collective Bargaining Agreements And Under 11 U.S.C. § 1114(g) Authorizing Modification Of Retiree Welfare Benefits (Docket No. 3356), Limited Objection Of Wilmington Trust Company, As Indenture Trustee, To Motion For Order

Under 11 U.S.C. § 1113(c) Authorizing Rejection Of Collective Bargaining Agreements And Under 11 U.S.C. § 1114(g) Authorizing Modification Of Retiree Welfare Benefits (Docket No. 3353), Preliminary Response Of General Motors Corporation To Debtors' Motion For Order Under 11 U.S.C. § 1113(c) Authorizing Rejection Of Collective Bargaining Agreements And Under 11 U.S.C. § 1114(g) Authorizing Modification Of Retiree Welfare Benefits (Docket No. 3317), Response Of The Official Committee Of Unsecured Creditors In Support Of The Debtors' Motion For Order Under 11 U.S.C. Section 1113(c) Authorizing Rejection Of Collective Bargaining Agreements And Under 11 U.S.C. Section 1114(g) Authorizing Modification Of Retiree Welfare Benefits (Docket No. 3561), and Supplemental Response Of General Motors Corporation To Debtors' Motion for Order Under 11 U.S.C. § 1113(c) Authorizing Rejection Of Collective Bargaining Agreements and Under 11 U.S.C. § 1114(g) Authorizing Modification Of Retiree Welfare Benefits (Docket No. 3628) (collectively, the "Respondents"); and the Court having commenced the contested hearing on the 1113/1114 Motion on May 9, 2006; and the Court having adjourned the contested hearing until August 11, 2006 in accordance with the Fourth Amended Order; and the IBEW and the IAM having filed a Motion for Judgment on Partial Findings Dismissing the IBEW and IAM Pursuant to Rule 7052(c) on August 11, 2006 (the "IBEW/IAM Motion for Judgment") (Docket No. 4890); and the Debtors having filed a response to the IBEW/IAM Motion for Judgment on August 16, 2006 (Docket No. 4944); and the Court having adjourned the contested hearing until August 17, 2006, and then further to August 18, 2006; and the Debtors and the Respondents having advised the Court, through counsel, at the chambers conference held on August 17, 2006 that the Debtors and all Respondents had conducted a "meet and confer" on August 17, 2006 at which the parties agreed

to submission of the form of this Order to the Court for the Court's evaluation and consideration; and the IBEW and the IAM having filed a reply in support of the IBEW/IAM Motion for Judgment on August 27, 2006 (Docket No. 5031); and this Court having determined in light of the parties' agreement on the submission of the form of this Order that a recess of the contested hearing on the 1113/1114 Motion until September 18, 2006 and the establishment of certain other deadlines and further hearing dates in the manner set forth herein is appropriate and in the best interests of the Debtors, their estates, their creditors, and other parties-in-interest; and the Debtors and the Respondents (to the extent required by statute) having consented to the extension of the August 31, 2006 deadlines for a ruling on the 1113/1114 Motion provided under 11 U.S.C. § 1113(d)(2) and 11 U.S.C. § 1114(k)(2), to October 20, 2006; and after due deliberation thereon; and good and sufficient cause appearing therefor, it is hereby ORDERED, ADJUDGED, AND DECREED THAT:

1. Inasmuch as the Debtors have completed their direct case in support of the 1113/1114 Motion (with the Debtors' rebuttal case reserved until the completion of the evidence presented by the objectors to the 1113/1114 Motion), in light of the further progress reported to the Court at the chambers conference held on August 17, 2006 in connection with the continuing out-of-court discussions among the Debtors and the Union Respondents, and in order for the Debtors and the Union Respondents to continue to concentrate their resources and activities on the collective bargaining of a consensual resolution of the 1113/1114 Motion, the hearing on the 1113/1114 Motion shall be further adjourned until 10:00 a.m. (Prevailing Eastern Time) on September 18, 2006, and, unless otherwise resolved consensually by the Debtors and the objectors, shall recommence at that time and continue thereafter on September 19, 20, 21, and

22, and October 10, 11, 12, and 13 until completed. In the event that the Court determines not to proceed with the hearing on the Debtors' Motion For Order Under 11 U.S.C. § 365 And Fed. R. Bankr. P. 6006 Authorizing Rejection Of Certain Executory Contracts With General Motors Corporation ("GM Contract Rejection Motion No. 1"), dated March 31, 2006 (Docket No. 3033), on September 28, 29 and October 3, 4, 2006, or in the event that the hearing on the GM Contract Rejection Motion No. 1 does not occupy such dates, then those dates shall be available for the hearing on the 1113/1114 Motion, subject to the Court's calendar.

2. In accordance with the prior order of testimony agreed among the parties, at the recommencement of the contested hearing on September 18, 2006, the first two witnesses to be called for direct examination shall be two of the UAW's experts, Mr. Millstein and Ms. Voos (in that order), provided that should the UAW find it necessary to change the sequence of witnesses, it may do so by providing notice of the revised sequence to the Debtors, the Respondents, and the Official Committee of Equity Security Holders (collectively, the "Parties") by September 11, 2006.

3. The time within which a ruling on the 1113/1114 Motion shall be issued pursuant to 11 U.S.C. § 1113(d)(2) and 11 U.S.C. § 1114(k)(2) shall be extended, with the consent of the Debtors and the Respondents (to the extent required by statute), to October 20, 2006. The parties reserve their right to agree to additional extensions beyond October 20, 2006.

4. The Parties shall hold a meet and confer at 9:30 a.m. (Prevailing Eastern Time) on September 12, 2006 at the offices of the Debtors' counsel in New York City to discuss any matters with respect to the further conduct of the contested hearing.

5. On or before September 15, 2006, the Debtors shall submit a meet and confer report to chambers (with a copy to the Parties) with respect to the matters discussed at the September 12, 2006 meet and confer.

6. The reply filed on August 27, 2006 (Docket No. 5031) by the IBEW and IAM in support of the IBEW/IAM Motion for Judgment is deemed to be timely filed. Oral argument on the IBEW/IAM Motion for Judgment shall be set by the Court as and when the Court deems appropriate.

7. Without relieving the Debtors of any applicable statutory obligation under 11 U.S.C. §§ 1113 and 1114 to provide any relevant information that may be necessary for the Union Respondents to evaluate proposals made by the Debtors to the Union Respondents with respect to the subject matter of the 1113/1114 Motion and without relieving any party of any applicable obligation under Fed. R. Bankr. P. 7026, there shall be no further discovery with respect to the 1113/1114 Motion other than any depositions of witnesses for Respondents that were adjourned pursuant to prior meet and confer agreements among the Parties.

Dated: New York, New York  
August 31, 2006

/s/ ROBERT D. DRAIN  
UNITED STATES BANKRUPTCY JUDGE